



GARY R. HERBERT
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GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 5, 2012

Certified Return Receipt
7011 0110 0001 3568 3117

Keith MacKay
State Stone Corporation
4640 South Commerce Drive
Murray, Utah 84107

Subject: Review of Reclamation Surety, State Stone Corporation, Torrey Buff/Red Quarries, S/055/021, Wayne County, Utah

Dear Mr. MacKay:

A letter from the Division of Oil, Gas and Mining dated February 7, 2012, required that you increase the reclamation surety for the referenced mining operation. If the disturbed area is less than the acreage shown in the Notice of Intention to Commence Small Mining Operations (NOI), the NOI needs to be amended to show the correct acreage.

Enclosed with this letter is a copy of your current NOI together with a blank NOI form that could be used to amend the NOI. Please amend the NOI if the acreage is inaccurate. Also enclosed is form MR-REV-SMO/EXP which the Division asks that you submit with any change to the NOI.

The average reclamation costs are outlined below:

Project Size (Acres)	Surety 3 & 5 year escalation 2010	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,200 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,700/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)

The Division of Oil, Gas and Mining recognizes that you have done reclamation work at these sites, but it is not reflected in the reclamation surety amounts in the Division's February 7, 2012, letter or in the acreage figure in your NOI. The surety amount, however, needs to reflect the amount of disturbance that **may** be created as specified in the Notice.



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Keith MacKay
S/055/0021
March 5, 2012

By April 2, 2012, please provide the Division with an updated plan.

Thank you for our cooperation. Please call me at 801-538-5261 or Wayne Western at 801-538-5263 if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB', is written over the typed name.

Paul B. Baker
Mining Program Manager

PBB:whw:pb

cc: Sue Fivecoat, Hanksville BLM
John Reay, Hanksville BLM

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